

COMMISSION DIRECTIVE

ADMINISTRATIVE MATTER

DATE _____

June 25, 2008

MOTOR CARRIER MATTER



DOCKET NO.

2007-400-C

UTILITIES MATTER

ORDER NO.

SUBJECT:

DOCKET NO. 2007-400-C - Rulemaking Regarding Prepaid Telecommunications Local Services – Discuss this Matter with the Commission.

COMMISSION ACTION:

Move that the written report that is required under Section 1-23-111 of the South Carolina Code be issued with regard to the regulation governing telephone utilities offering regulated prepaid local exchange services. I further move that the report find that there is a need for certain changes to the proposed regulation as proposed at the April 29, 2008 hearing by the parties, and further changes as proposed through record correspondence submitted by the parties, and that the changes are reasonable.

Specifically, Mr. Chairman, I move the following: 1) that we modify the terminology that describes the regulated entities from "telecommunications carriers" to "telephone utilities," and that the regulation include the "telephone utilities" individually or together with their affiliates; 2) that the regulation be limited to retail residential prepaid local exchange service; 3) that the term "advance payments" include, but not be limited to non-recurring connection and service fees; 4) that the regulation specifically exclude Commercial Mobile Radio Services, and 5) that, at this time, the regulation be made applicable solely to entrants certificated by the Commission on or after the effective date of this regulation. However, Mr. Chairman, although we cannot accomplish this goal in the present proceeding, I believe that the provisions of this regulation are actually appropriately applied to all providers of retail residential prepaid local exchange service, both those presently certificated and those certificated after passage of the regulation. Accordingly, I would ask that we establish a new rulemaking to move towards that goal.

Also, with regard to the present regulation, I further move that this Commission: 1) eliminate the establishment of an escrow account as an available form of security; and 2) set specific criteria for the determination of a performance bond by stating that the Commission may use, at a minimum, any commercially reasonable acceptable method, including the following criteria: the number of customers, retail price for prepaid service, and financial resources of the carrier. Mr. Chairman, I believe that these criteria should be further addressed in the new rulemaking, as well as the additional applicability of this regulation. In addition, I move that this Commission modify the acceptable types of performance bond, irrevocable letter of credit, and certificate of deposit to those which are acceptable to the Commission, rather than requiring that the issuing companies be authorized to do business in South Carolina. Lastly, Mr. Chairman, I move that we establish criteria for the forfeiture of a bond or other security mechanism, by stating that, after notice and hearing, this Commission may order all or part of any bond or other security forfeited upon finding that the telephone utility has abandoned service to customers who have paid for those services in advance.

Accordingly, I move that we promulgate the proposed regulation, with amendments as stated above, and establish a new rulemaking . Mr. Chairman, that is my motion.

TIME: 2:30 p.m.

	MOTION	YES	NO	OTHER
CLYBURN	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
FLEMING	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
HAMILTON	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
HOWARD	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
MITCHELL	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
MOSELEY	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
WRIGHT	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

RECORDED BY: J. Schmieding